

1 the time this was filed, we did not have any of those
2 things. And my approach as required by the Bankruptcy
3 Code is to gain control of the property so that I can
4 market it.

5 Q Can I have the documents you produced earlier,
6 please? I think I gave them back by accident.

7 A Yeah.

8 Q Thanks. You were appointed Chapter 7 trustee in
9 2009?

10 A Yes.

11 Q So approximately two-and-a-half years ago?

12 A Yes.

13 Q And if I understand your earlier testimony
14 correctly, you've never been to the property?

15 A Personally, no.

16 Q And have you ever been personally to any of the
17 properties in the estate?

18 A No.

19 Q Okay. Can you please describe your understanding
20 of the property that's at issue in this Unlawful Detainer?
21 What does it consist of that you're seeking to get control
22 over?

23 A It's my understanding that the property consists
24 of 1,700-plus acres of rolling hills. There are several
25 structures on the property, several residences, a horse

Page 19

1 barn, and a horse arena, possibly some outbuildings of
2 some sort. I have seen aerial views. I have now seen
3 pictures of each of the structures. I've seen pictures of
4 the road. There are some water wells at issue, which I
5 would defer to my general counsel to discuss any of that.
6 And there is possibly some grazing areas for livestock.

7 Q I understand part of your response about
8 deferring and I'm going to try to do the same. I know
9 there are other issues that are not related to this --

10 A Yes.

11 Q -- UD, so I'm going to do my best to stay in my
12 outline here.

13 A Okay.

14 Q Specifically, do you know how many houses are on
15 the property? I'm sorry?

16 A I don't want to guess and I -- I didn't review
17 the reports that I received from the insurance broker
18 before I came down today. I don't want to guess.

19 Q Okay.

20 A I -- my recollection is four to five, but I don't
21 want to be held to that.

22 Q You testified a minute ago about, you've now
23 reviewed pictures of the road and pictures of structures.
24 Can you identify what pictures those are in terms of
25 what's the source?

1 A The source is primarily from the insurance broker
2 that we were working with along with your client. And my
3 broker has now gone up and taken some pictures of the
4 structures. And I believe I reviewed both sets of
5 pictures.

6 Q And is that of Mr. Kling?

7 A Yes.

8 Q Fritz Kling?

9 A Fritz Kling.

10 Q Okay. So I already asked you how many houses and
11 you responded.

12 Do you know how many apartments are on the
13 property?

14 A I don't.

15 Q Do you know how many agricultural buildings are
16 on the property?

17 A I do not.

18 Q Do you know how many barns are on the property?

19 A I have reviewed reports that stated that, but I
20 don't recall offhand.

21 Q Do you know how many total separate structures
22 there are that people live in on the property?

23 A I don't.

24 Q Do you know how many people live on the property?

25 A I don't know the total when you include the kids,

Page 21

1 the grandkids, the great-grandkids. I do not know the
2 total number, no.

3 Q Do you know how many animals are on the property?

4 A I do not.

5 Q Do you know what different types of livestock
6 there are on the property besides horses and cattle?

7 A As far as I know, there are horses. I don't know
8 the details on the cattle or any other animals. Dogs. I
9 do understand there's dogs up there.

10 Q Do you know -- just a couple.

11 Do you know what's grown on the property?

12 A No.

13 Q I'd sent you written discovery and I'm trying to
14 avoid having to follow up with that at all and wanted to
15 rehash a couple of the questions on there and make sure I
16 understood what your answers are. So these are questions
17 you've seen before, but I have not asked you before.
18 Okay?

19 A Okay.

20 Q Okay. To the extent that you are seeking \$300 a
21 day as fair rental value of the premises, what is that
22 based on?

23 A That number was based upon information I obtained
24 in discussions with my real estate broker.

25 Q Mr. Kling?

Page 22

1 A Yes.

2 Q Okay. Do you know if Mr. Kling was giving you an
3 opinion of the daily value of the houses or all the
4 structures?

5 A I do not know.

6 Q Or all the property?

7 A I do not know.

8 Q Okay. Just a rough estimate. But the number of
9 days at issue, I think, and that value is like \$81,000 so
10 far, so I am hoping you can understand, I'm trying to be
11 very specific about what exactly is being sought and what
12 parts are being sought if this is a -- you're saying
13 \$300 -- or \$9,000 a month for the entire 1,700 acres or
14 1,800 acres or what?

15 A Well, if we consider the operating order, if
16 anyone has been paying rent at the property, those rents
17 were supposed to have been turned over to me. I haven't
18 seen any rents from the property since I was appointed.
19 But as far as the rent issue is concerned, I've told you
20 what I know.

21 Q Okay. I had asked you in the discovery questions
22 whether or not you believed this was an agricultural
23 property. I'd like to skip time and not go through all
24 these. But, in general, what is your understanding of
25 what the property is used for?

Page 23

1 MR. WITHEM: Objection to the extent the question
2 is overly broad that the property at 1,700 acres is used
3 for one purpose.

4 THE WITNESS: As I understand it, my knowledge is
5 the property is used. People live there. So it's used as
6 a residential property. And I also understand that your
7 client operates some sort of an equine business. That's
8 the extent of my understanding.

9 Q BY MR. CHAFFIN: Okay. As far as anyone that
10 currently lives at the property, do you have specific
11 information as to when they began living there? Other
12 than Mr. and Mrs. Leslie and Bobette Leslie.

13 A No.

14 MR. CHAFFIN: Okay. Okay. I'm going to try to
15 keep this record clean and attach as Exhibit 2 the
16 documents that you produced in response to the Notice.

17 (Whereupon Defendants' Exhibit Number 2
18 was marked for identification by the
19 Court Reporter.)

20 THE REPORTER: Okay.

21 MR. CHAFFIN: So that I can move to Exhibit 3,
22 which is the First Amended Complaint in this case, the
23 Unlawful Detainer Complaint.

24 (Whereupon Defendants' Exhibit Number 3
25 was marked for identification by the

Page 24

1 Court Reporter.)

2 MR. WITHEM: Let the record reflect that the copy
3 that was provided to Ms. McBeth is not a conformed copy.
4 I'm showing her a conformed copy of what appears to be the
5 First Amended Complaint filed March 22, 2012.

6 Counsel, do you represent it's the same document?

7 MR. CHAFFIN: You know what I'll represent,
8 Counsel, is that I was not served with the Complaint. I
9 called Mr. Zeff and asked him why I wasn't. He sent me
10 another copy and that's what I got. So this is what I got
11 the second time. And I do have another copy that I went
12 over and got from the courthouse that's probably
13 conformed, but I believe they are the same. I think we
14 can tell most easily if you'll look at your conformed
15 copy.

16 MR. WITHEM: It's the same. I'm just ranting.

17 MR. CHAFFIN: Okay.

18 MR. WITHEM: It's the same. I apologize for
19 that. I'm going to get more active in this case.

20 MR. CHAFFIN: Okay.

21 MR. WITHEM: And we're going to get more answers
22 to your questions when you get my discovery.

23 MR. CHAFFIN: Okay. Now, on the back page of
24 what I'm marking as Exhibit 3, there is a Proof of Service
25 by mail dated March 20 that states "I was served with

Page 25

1 Plaintiff's Form Interrogatories to Daphne Smith-Set One."

2 Can you tell me if that's the same Proof of
3 Service on your conformed one?

4 MR. WITHEM: It is in my file.

5 MR. CHAFFIN: Okay. I thought maybe because
6 there is no Proof of Service showing that I ever got this,
7 that it might have some explanation why I didn't. But it
8 really is -- it's irrelevant except to the extent I will
9 note for the record, the copy I got does not have any
10 prejudgment claim to right of possession or anything.
11 Otherwise, that would indicate all other residents are
12 being served other than this states the three defendants
13 and Does 1 to 10. So I was assuming that maybe that
14 wasn't served on purpose.

15 MR. WITHEM: I can't answer your question. I
16 have no idea.

17 MR. CHAFFIN: Okay. I will also note for the
18 record, Counsel, just so you can discuss with Counsel who
19 came to the hearing of my demurrer to this Complaint, that
20 I brought that up to the court, Judge Borrell, that there
21 was no prejudgment claim to right of possession and that I
22 was asking for demurrer so I could find out who you were
23 trying to evict. And he stated that there isn't one, but
24 it's obviously just these three. That's an issue we can
25 work out. But just so you know that those are the

Page 26

1 proceedings to this point.

2 MR. WITHEM: I appreciate that. We will deal
3 with it.

4 Q BY MR. CHAFFIN: Okay. Ms. McBeth, my question
5 to you is about five pages in on Exhibit 3. This "60-day
6 Notice to Terminate Tenancy."

7 Do you have that in front of you?

8 A Yes.

9 Q Okay. This 60-day notice you will see at the
10 bottom appears to be signed by Mr. Zeff and dated
11 September 28th, 2011.

12 Do you see that?

13 A Appears to be, yes.

14 Q Okay. Prior to September 28th, 2011, did you
15 ever give, send, or serve a Notice to Terminate Tenancy to
16 any of the residents at the Wheeler Canyon Ranch?

17 A Did I personally?

18 Q Well, we can start with certainly you personally.
19 Did you ever send it to them?

20 A I personally did not.

21 Q Did you have someone send it to them?

22 THE WITNESS: Can we go off the record for a
23 minute?

24 MR. WITHEM: Did you want to talk to me?

25 THE WITNESS: Yes.

Page 27

1 MR. WITHEM: Let's step outside, then.

2 (Discussion held off the record

3 outside the conference room between

4 the witness and her counsel.)

5 (Discussion held off the record.)

6 MR. WITHEM: Go back on.

7 THE WITNESS: Yeah.

8 Go back on.

9 Q BY MR. CHAFFIN: Ms. McBeth, we took a break and
10 we had an off-the-record discussion. I'm just trying to
11 nail down are you aware of whether or not the defendants
12 in this case were ever asked to leave the property before
13 this September 28th, 2011, 60-day notice was sent out?

14 A I do not know.

15 Q Okay. And are you aware of whether or not you
16 are seeking \$300 a day damages for the entire time they
17 have been there versus the time that this notice was sent
18 or what -- what period?

19 MR. WITHEM: Objection. The question is
20 compound.

21 THE WITNESS: I will based upon the pleadings
22 filed on my behalf in the Unlawful Detainer action is what
23 the damages I'm seeking -- that's the basis for the
24 damages I'm seeking.

25 Q BY MR. CHAFFIN: Okay. Have you ever asked any

Page 28

1 of the residents at the property to pay rent for the
2 property?

3 A No.

4 Q Okay. And at any time after you were appointed
5 Chapter 7 trustee, did you ever discuss with any of the
6 residents the terms of their continuing to live at the
7 property?

8 MR. WITHEM: Objection. Assumes facts not in
9 evidence there are such terms.

10 Q BY MR. CHAFFIN: Let me narrow that question
11 down. After being appointed Chapter 7 trustee, did you
12 ever have a discussion with Robert Leslie or
13 Marilyn Leslie about any terms of them continuing to live
14 on the Wheeler Canyon property?

15 A No.

16 Q Okay. How about with Bobette Leslie?

17 A No.

18 Q Any of their family members?

19 A No.

20 Q Okay. Can you identify anyone who has resided on
21 the property that you did discuss terms of residency with?

22 MR. WITHEM: Objection. Misstates the testimony.

23 THE WITNESS: No.

24 MR. CHAFFIN: Okay.

25 THE WITNESS: Can we go off the record for just a

Page 29

1 second? I just' -- I need to get something out there.

2 MR. CHAFFIN: "Let's go off the record."

3 (Discussion held off the record.)

4 MR. CHAFFIN: Let's go back on.

5 We had an off-the-record discussion somewhat in
6 response to the pending question. And I believe the prior
7 question was whether or not you had asked anyone there to
8 pay rent. And I don't --

9 Q BY MR. CHAFFIN: Did we get an answer to that
10 part?

11 A You got an answer. It was "no."

12 Q Okay. Since you were appointed trustee of the
13 subject property, who has paid the utility bills for
14 running the property?

15 MR. WITHEM: Objection. Calls for speculation.
16 Assumes also facts not in evidence that there's only one
17 utility bill, multiple bills, so the question may be
18 compound as well.

19 MR. CHAFFIN: I -- correct.

20 THE WITNESS: I don't know.

21 Q BY MR. CHAFFIN: Okay. Since you were appointed
22 trustee, who has paid the water bills at the property?

23 A I don't know.

24 MR. WITHEM: Same objection.

25 THE WITNESS: I don't know.

Page 30

1 Q BY MR. CHAFFIN: And you testified earlier about
2 the insurance broker and we discussed their insurance
3 since Bobette Leslie has gotten involved, that there's now
4 a broker and some insurance in place that you're aware of,
5 correct?

6 A Yes, liability insurance. No property insurance
7 to date.

8 Q Okay. Prior to -- let me ask you something.
9 Since you were appointed trustee, did you pay for any
10 property or liability insurance relating to the
11 Wheeler Canyon Ranch?

12 MR. WITHEM: Objection. Asked and answered.

13 THE WITNESS: I paid a deposit to an insurance
14 broker who attempted to place insurance on the property,
15 but when his investigator went to the property, he was
16 denied access. So we were not able to place that
17 insurance.

18 Q BY MR. CHAFFIN: And that's here recently in the
19 last few months?

20 A No. That was last year. I sent him the deposit.
21 I believe it was last fall.

22 Q Okay. Are you aware of whether or not in the
23 years 2009, 2010 or 2011 whether or not any of the Leslies
24 paid for insurance on the property?

25 A I do not know.

Page 31

1 Q Okay. Since you were appointed trustee, who has
2 paid for maintenance costs at the property?

3 A I do not know.

4 Q Since you were appointed trustee, who has paid
5 for the wages and benefits of individuals who worked there
6 to maintain the property?

7 MR. WITHEM: Objection. The question is again
8 overly broad, compound, calls for speculation, lacks
9 foundation.

10 THE WITNESS: I do not know.

11 Q BY MR. CHAFFIN: Earlier in your testimony you
12 referred to the operating order signed by the Court under
13 which your -- it relates to some of its' language
14 "Collection of rents," et cetera.

15 Do you remember that testimony?

16 A Yes.

17 Q I want to ask you a few questions about that
18 order. If you'll give me just a second here, please.

19 MR. CHAFFIN: I want to mark as Exhibit 4 your
20 Declaration dated November 22, 2011.

21 (Whereupon Defendants' Exhibit Number 4
22 was marked for identification by the
23 Court Reporter.)

24 MR. WITHEM: Let me see this.

25 Counsel, hold on one second. I just want to look

Page 32

1 at that.

2 (Discussion held off the record
3 between the witness and her counsel.)

4 MR. WITHEM: I have read it. Thank you.

5 Q BY MR. CHAFFIN: I will just represent for the
6 record this is copied from and it's Bankruptcy Court file
7 stamped across the top, your motion for the authority to
8 operate the business of the debtors. That's the
9 Declaration that was supporting that?

10 A What's the docket number on the motion? Is it
11 255?

12 Q Yes. Docket 255.

13 A Okay.

14 MR. WITHEM: I just represent that what you've
15 given her is her Declaration which is part of a much
16 larger document and just that the document has not been
17 provided to the witness of which this Declaration relates.

18 MR. CHAFFIN: I'm happy for you to review it and
19 we could take a break and I'll go get one that doesn't
20 have a bunch of notes and stuff on it, but I was really
21 just trying to focus it down to the only part I care about
22 that relates to the Unlawful Detainer.

23 THE WITNESS: I would just like to be very sure
24 that that's what this Declaration is attached to because
25 it does reference a lot of exhibits and the timing on the

Page 33

1 filing suggests to me it's my motion to continue authority
2 to operate, but I think it's appropriate to see the whole
3 document.

4 MR. CHAFFIN: Let's go off for just a second.

5 (Discussion held off the record.)

6 MR. CHAFFIN: We can go back on for a minute.

7 I'm also attaching as Exhibit 5 the Declaration
8 of Mr. Kling that you referred to earlier, which also is
9 from the same bankruptcy filing.

10 Do you want to see that, Counsel?

11 MR. WITHEM: Sure, I would.

12 (Whereupon Defendants' Exhibit Number 5
13 was marked for identification by the
14 Court Reporter.)

15 MR. CHAFFIN: And I will attach as Exhibit 6 and
16 we'll represent for the record this is a copy of the
17 recorded well site agreement, not the one that was
18 attached to the motion because that's not signed yet,
19 et cetera. And that this is the one Mr. Yu sent me in an
20 e-mail after I requested it from him.

21 So that's Exhibit 6.

22 (Whereupon Defendants' Exhibit Number 6
23 was marked for identification by the
24 Court Reporter.)

25 MR. CHAFFIN: I have about four or five more

Page 34

1 questions, I think, before I'm done here. So if you want
2 any time to review that, we could take a break for a
3 second. Otherwise, I can just ask the questions and if
4 you want to review it when I do, that's fine, too.

5 THE WITNESS: I'm good. You can go ahead and ask
6 the questions.

7 Q BY MR. CHAFFIN: Okay. Earlier in your testimony
8 I asked you about the 60-day notice to terminate tenancy.
9 Do you recall that?

10 A Yes.

11 Q I believe it's right in front of you.

12 A Yes.

13 Q The September 28th, 2011.

14 Do you see that?

15 A Yes.

16 Q Okay. And Exhibits 4 and 5 are part of your
17 motion for authority to operate the debtors' business,
18 correct?

19 A Motion for authority to continue operating the
20 debtor's business.

21 Q Correct?

22 A Yes.

23 Q Okay. And also attached to that motion was a
24 Well Site, Water Rights and Easement Agreement, correct?

25 A I believe so, yes.

Page 35

1 Q And that agreement relates to this Wheeler Canyon
2 property that's the subject of the Unlawful Detainer?

3 A That's my understanding.

4 Q Okay. And then I've given you as Exhibit 6 what
5 Mr. Yu provided me as copies of the recorded portions of
6 the basic agreement and the notarization.

7 A Yes.

8 Q Okay. And your Motion for Authority to Continue
9 Operating the Business to the debtors was filed
10 November 22, 2011?

11 A Yes.

12 Q Okay. So my question for you is: The 60-day
13 notice to terminate tenancy that you had issued in this
14 case, the one we've talked about, did you have any contact
15 with ATC Realty or Wells Fargo, the people the water site
16 agreement is with, before you issued the 60-day notice?

17 A I don't know.

18 MR. WITHEM: Object. Wait a minute. Objection.
19 Misstates the facts in evidence.

20 The 60-day notice you're referring to is not
21 issued by this person, by this deponent. It's not signed
22 by her.

23 MR. CHAFFIN: Understood.

24 Q BY MR. CHAFFIN: I think you said, "I don't
25 know," but let me rephrase the question. I'll just

Page 36

1 withdraw it.

2 I'm trying to ask you if the reason for evicting
3 the Leslies at this point has anything to do with the
4 desire to access the land to pursue the well rights, well
5 site and water rights agreement that you had signed with
6 ATC Realty/Wells Fargo.

7 MR. WITHEM: If you can understand the question,
8 have at it.

9 THE WITNESS: I don't. I don't understand the
10 question. I think I know what you're trying to get at.
11 But I don't want to presume I understand what you're
12 asking.

13 Q BY MR. CHAFFIN: Okay. Well, first, to your
14 knowledge, how many of the residential structures on the
15 Wheeler Canyon property are on the side of the road where
16 the wells are?

17 A I don't know.

18 Q Okay. So I'm asking: Are you wanting to evict
19 the Leslies from access to the property where no one
20 resides?

21 MR. WITHEM: Objection. The question has been
22 asked and answered earlier. She said she wants to evict
23 everybody.

24 MR. CHAFFIN: Okay. I may have forgotten the
25 answer. I'm sorry.

Page 37

1 Q BY MR. CHAFFIN: But your present intention is to
2 evict every single person and all the animals from the
3 entire 1,800 acres irrespective of where they're located?

4 A Yes. To sell the property.

5 Q Okay. And so my question about the Exhibit 6,
6 the Well Site, Water Rights and Easement Agreement, my
7 question for you is: Do you recall whether or not you had
8 had any discussions with the other party to that
9 agreement, ATC Realty Nine, Inc., before making the
10 decision to evict the Leslie's, which is now the subject of
11 this case?

12 A I don't specifically recall the timing on any of
13 that. But I do know and do specifically recall that the
14 intent to evict the Leslie's and my duty to take control of
15 the property began significantly before this well issue
16 ever came to light.

17 Q Okay. The well site agreement that was attached
18 to your motion for authority to continue operating the
19 business of the debtors, did you draft that agreement or
20 did Wells Fargo provide it to you?

21 A I did not draft it.

22 Q Do you know who drafted it?

23 A I do not.

24 Q Do you know when it was drafted?

25 A I do not.

1 Q Do you know when it was provided to you in terms
2 of how long before November 22nd, 2011, when the motion
3 was filed?

4 A I couldn't specifically recall, no.

5 Q Okay. In terms of your testimony that you are
6 evicting all the residents and everything else there in
7 order to have access to market and sell the property, do
8 you know what the value of the property is for purposes of
9 that sale?

10 A Not at this point. My broker is working on that
11 at the moment.

12 Q Mr. Kling recently came to the property, correct?

13 A Yes.

14 Q And prior to Mr. Kling's prior visit --
15 I'm sorry -- prior to Mr. Kling's recent visit, did you
16 ever have the property valued?

17 A I didn't have the ability to because no one had
18 access to or could be on the property.

19 Q Okay. But has Mr. Kling given you even
20 preliminary values on the property?

21 A No.

22 Q Has Mr. Kling indicated to you an opinion as to
23 whether or not enough of the property could be sold to
24 satisfy the creditors in the bankruptcy case without
25 having to evict the Leslies?

Page 39

1 MR. WITHEM: Objection. The question calls for
2 speculation. Assumes a fact not in evidence that that's
3 even possible. It's also contrary to the current
4 bankruptcy orders. So it does call for speculation.

5 Go ahead.

6 THE WITNESS: We're trying to determine the value
7 of the property and the value of the various parcels and
8 they are working on it as we speak. They have gotten the
9 information. They are working on getting information from
10 the title company. We now have pictures. We now have
11 them viewing the property and that it is in process.

12 Q BY MR. CHAFFIN: Okay. And if you were provided
13 with a professional real estate opinion indicating that
14 parts of the larger six parcel property could be sold for
15 enough money to satisfy the bankruptcy issues without
16 evicting the Leslies, would you stop the Unlawful Detainer
17 proceedings?

18 MR WITHEM: Objection. Calls for speculation.
19 Assumes facts.

20 THE WITNESS: I don't know at this time.

21 Q BY MR. CHAFFIN: Okay. Earlier I had asked you
22 about whether or not you had paid any of the water bills
23 at the property and you said you didn't know who paid them
24 from the date of appointment of trustee forward.

25 Do you remember that testimony?

Page 40

1 A Yes.

2 Q Do you know how much water the property has?

3 A I don't.

4 Q Do you know the sources of the water?

5 A I don't.

6 Q Okay. Exhibit 5, I believe I gave you earlier
7 the declaration of Mr. Kling, your broker?

8 A Yes.

9 Q This declaration of Mr. Kling, do you see where
10 he states in Paragraph 2 -- he's referencing the well site
11 water agreement -- do you see where he states that his
12 opinion is that the water agreement is absolutely
13 necessary to preserve the value of the Wheeler property?

14 A I see that.

15 Q Okay. Do you know whether or not at the time
16 this was filed with the Court you had any specific
17 information about the amount of water available at the
18 property?

19 MR. WITHEM: Excuse me. I'm going to get a drink
20 of water.

21 MR. CHAFFIN: Let's take a break.

22 (Brief recess.)

23 MR. CHAFFIN: Okay. Go back on.

24 Could you read that back? I don't even remember
25 what I said.

Page 41

1 THE REPORTER: Sure.

2 (Discussion held off the record.)

3 (Whereupon the record was read

4 by the Reporter as follows:

5 "Q Do you know whether or not at the
6 time this was filed with the Court you
7 had any specific information about the
8 amount of water available at the
9 property?"

10 Q BY MR. CHAFFIN: Okay?

11 A Personally, I do not recall any specific
12 information --

13 Q Okay.

14 A -- provided to me.

15 Q The Exhibit 6 Well Site Agreement, can you recall
16 how the whole issue of these wells on the property, how
17 this initially came to your attention?

18 A I believe myself or my attorneys were
19 contacted -- not these attorneys, my bankruptcy
20 attorneys -- were contacted by the entity that foreclosed
21 and took title to the property and had been possibly a
22 party to a prior water well agreement, as well as the
23 former general partner that had been a party to the water
24 well agreement.

25 Q Okay. So your recollection is it was initiated

Page 42

1 by the other party to the agreement?

2 A Yes, I believe so.

3 Q Do you recall whether or not -- I just want to
4 make sure I'm asking you about the right entities --
5 Exhibit 6, the current effective agreement is with
6 ATC Realty and Wells Fargo, correct?

7 MR. WITHEM: Objection. The document speaks for
8 itself. Calls for speculation.

9 THE WITNESS: The agreement appears to be with
10 ATC Realty Nine, Inc.

11 Q BY MR. CHAFFIN: And when you state with -- the
12 being approached by the prior owner or prior party to the
13 prior agreement, I just want to know: Are you testifying
14 that you and Mr. Yu or the bankruptcy counsel, whoever it
15 was, were approached by ATC about the agreement, or were
16 approached by Wheeler Canyon partners, or Mr. Chadwick?
17 Do you recall who approached you?

18 A I don't recall.

19 Q Okay. Do you recall whether or not whoever it
20 was that approached you about the well agreement, do you
21 recall whether or not they provided you with information
22 about how much water was already on the property?

23 A I don't recall.

24 Q Do you recall whether or not they told you that?
25 Do you recall asking --

Page 43

1 MR. WITHEM: Wait. Objection. The question is
2 ambiguous.

3 THE WITNESS: I don't know why this is relevant
4 to --

5 MR. CHAFFIN: I'm happy --

6 THE WITNESS: -- it's an Unlawful Detainer.

7 MR. CHAFFIN: -- I'm happy to explain it.

8 MR. WITHEM: No, no. My objection was what it
9 was.

10 Q BY MR. CHAFFIN: So my question was: Do you
11 recall whether or not you made inquiry as to how much
12 water was already on the property before entering into
13 Exhibit 6 water rights agreement?

14 MR. WITHEM: Objection. Misstates the testimony.
15 Misstates the document. Assumes facts not in evidence.

16 The question is: Did she enter into this
17 agreement? You just said that.

18 MR. CHAFFIN: Yes. She -- no, no, no, no, no.

19 MR. WITHEM: Okay.

20 MR. CHAFFIN: My question is --

21 Can you read back my question, please?

22 MR. WITHEM: I'm sorry.

23 THE WITNESS: Can we go off the record? Let's
24 go. Let me go kinda fill you in on this.

25 MR. WITHEM: Okay.

Page 44

1 (Discussion held off the record between
2 the witness and her counsel outside the
3 conference room.)

4 MR. CHAFFIN: Did we get the question?

5 THE REPORTER: Ready.

6 MR. CHAFFIN: Is there a question or answer
7 pending?

8 THE REPORTER: Yes.

9 (Whereupon the record was read
10 by the Reporter as follows:

11 "Q So my question was: Do you recall
12 whether or not you made inquiry as to how
13 much water was already on the property
14 before entering into agreement Exhibit 6
15 water rights agreement?")

16 THE WITNESS: I entered into this agreement when
17 the bankruptcy court approved it and all of the
18 information was provided in their motion for approval of
19 entering into this agreement to the court public record
20 and was presented at the hearing.

21 Q BY MR. CHAFFIN: Okay. And do you recall whether
22 or not the agreement -- strike that. Sorry.

23 I can't recall if you answered before, but who
24 drafted the agreement?

25 A I don't know.

1 Q Okay. Did you?

2 A Personally? No.

3 Q Did your counsel?

4 A I don't know.

5 Q Okay. At the time you approached the bankruptcy
6 court with the agreement, did you know the fair market
7 value of the Wheeler Canyon Ranch if it were to be put up
8 for sale?

9 A I've already testified that we're trying to
10 determine the current fair market value of the property.

11 MR. WITHEM: Well, the answer to the question is
12 no.

13 THE WITNESS: My answer is no.

14 Q BY MR. CHAFFIN: Okay. Do you know now as we sit
15 here where you're trying to get access to the property to
16 sell it, do you know whether or not Exhibit 6, the Well
17 Rights Agreement, had the effect of increasing the value
18 of the property?

19 A I do not know.

20 MR. CHAFFIN: I have no further questions.
21 Questions?

22 MR. WITHEM: I have none.

23 MR. CHAFFIN: I propose a stipulation to relieve
24 the court reporter of some of her duties under the Code;
25 that the transcript --

Page 46

1 THE REPORTER: He wants it sent directly to her.

2 MR. WITHEM: It can go directly to my client.

3 MR. CHAFFIN: -- be prepared and mailed directly
4 to Ms. McBeth; that she will have five days? Ten days?

5 MR. WITHEM: Well, we're not going to go to trial
6 on this case tomorrow, so...

7 MR. CHAFFIN: She'll have two weeks --

8 THE WITNESS: Two weeks is fine.

9 MR. CHAFFIN: -- from the date she receives it to
10 review the transcript, make any changes that she deems
11 necessary subject to the admonitions that we waived; and
12 sign the transcript, return the original to my office;
13 that if the transcript is not signed by the 14 days, then
14 it's understood that an unsigned copy of the transcript as
15 it was presented to her is useable for all purposes as
16 ordinarily useable; that if the original of the transcript
17 becomes lost, destroyed, or otherwise unavailable, a
18 certified copy can be used in its place for all purposes.

19 And, Counsel, how do you want to get notified of
20 the changes?

21 MR. WITHEM: Here's what we're going to do.
22 You're going to mail the original to Ms. McBeth. She's
23 going to make changes, corrections. I will receive those
24 changes and corrections and we will have the original
25 returned to your offices and for some written document

Page 47

1 with the original to follow confirming that, one, it has
2 been signed with the signature page along with the changes
3 and corrections; should the original be lost, any
4 certified copy with those changes and corrections may be
5 used; if we are not -- strike that.

6 If we do not notify you of changes or
7 corrections, then you may use it as though the witness has
8 reviewed it and corrected it; but I will assume this
9 responsibility to advise you within the 14 days of the
10 changes, corrections, and of the signing, and I'll get the
11 original to you in due course, if required, and if I still
12 have it for some unforsaken reason, I'll make sure it's
13 lodged with the Court upon any request that you make, but
14 I will get it to you; I would like confirmation that you
15 have sent it to the deponent so that I can count those
16 14 days personally; if you could do that, Ms. Reporter.
17 Just an e-mail or fax or, you know, something.

18 Thank you.

19 And you will be custodian of the original and
20 you'll lodge it at the time of trial as necessary for any
21 other time upon reasonable request. Correct?

22 MR. CHAFFIN: So stipulated.

23 MR. WITHEM: Great.

24 (Whereupon the deposition proceedings
25 concluded at 11:10 a.m.)

1 (Whereupon it was agreed by and between
2 counsel that the court reporter would be
3 relieved of her statutory duties under
4 C.C.P. 2025.520 and 2025.550;

5 Further, that the deposition would
6 be signed by the witness under penalty
7 of perjury.)
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1 STATE OF CALIFORNIA)
2) ss.
3 COUNTY OF SANTA MARIA)
4
5

6 I HEREBY DECLARE UNDER PENALTY OF PERJURY THAT THE
7
8 FOREGOING IS TRUE AND CORRECT.
9

10 SIGNED AT _____,
11

12 THIS _____ DAY OF _____, 2012.
13
14
15
16
17
18
19

20 _____
21 SANDRA K. MCBETH
22
23
24
25

Page 50

STATE OF CALIFORNIA)
) ss.
COUNTY OF VENTURA)

I, DOROTHEA W. HARTLEY, CSR# 5505, in and for the County of Ventura, State of California, do hereby certify:

That prior to being examined the witness whose deposition appears hereinbefore was duly sworn to testify the truth, the whole truth and nothing but the truth.

That said deposition was taken at the time and place as herein set forth; that said deposition was taken down in shorthand by me and thereafter transcribed into typewriting, and I hereby certify that the foregoing deposition is a full, true and correct transcription of my shorthand notes so taken.

I further certify that I am neither counsel for nor related to any party to said action; nor in anywise interested in the outcome thereof.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 6th day of June, 2012.



DOROTHEA W. HARTLEY, CSR# 5505
in and for the County of
Ventura, State of California.

e

Page 51

A	analysis 13:14	43:4,25	barn 20:1	brought 6:22 26:20
a.m 1:19,20 5:1	animals 16:17,20	asks 11:21	barns 21:18	buildings 21:15
48:25	22:3,8 38:2	assets 10:18 18:14	based 22:22,23	bunch 33:20
ability 39:17	answer 11:10 14:8	assume 48:8	28:21	business 12:3 24:7
able 18:24 31:16	17:24 18:11 26:15	Assumes 29:8	basic 13:20 36:6	33:8 35:17,20
absolutely 18:15	30:9,11 37:25	30:16 40:2,19	basically 8:3	36:9 38:19
41:12	45:6 46:11,13	44:15	basis 28:23	
access 18:20,23	answered 11:9 13:7	assuming 26:13	began 24:11 38:15	C
31:16 37:4,19	14:4 31:12 37:22	ATC 36:15 37:6	behalf 1:16 28:22	C.C.P 49:4
39:7,18 46:15	45:23	38:9 43:6,10,15	believe 6:23 8:18	California 1:1,18
accident 19:6	answers 22:16	attach 5:20 24:15	8:24 9:19 12:14	1:22 2:10,20 5:2
acres 19:24 23:13	25:21	34:15	14:15 16:12 18:17	50:1 51:1,4,19
23:14 24:2 38:3	anywise 51:13	attached 33:24	21:4 25:13 30:6	call 40:4
action 9:21 12:1	apartments 21:12	34:18 35:23 38:17	31:21 35:11,25	called 25:9
14:18 17:14 28:22	apologize 25:18	attaching 34:7	41:6 42:18 43:2	calls 17:22 18:9
51:13	APPEARANCES	attempted 31:14	believed 23:22	30:15 32:8 40:1
active 25:19	2:1	attention 42:17	benefit 10:19 11:5	40:18 43:8
administer 10:18	appears 25:4 27:10	Attorney 2:7,17	17:17	Canyon 10:15,16
administering	27:13 43:9 51:7	attorneys 42:18,19	benefits 32:5	27:16 29:14 31:11
18:14	appointed 19:8	42:20	best 20:11	36:1 37:15 43:16
admonitions 6:16	23:18 29:4,11	authority 10:12,21	better 15:6,7	46:7
47:11	30:12,21 31:9	33:7 34:1 35:17	BEVERLY 1:9	capital 5:18
advise 48:9	32:1,4	35:19 36:8 38:18	bill 30:17	care 33:21
aerial 20:2	appointment 3:21	authorize 11:8	bills 30:13,17,22	carry 9:15
ago 19:11 20:22	7:6,7,11 11:12	authorizes 11:13	40:22	case 7:8,12 8:10,16
agree 18:12	40:24	authorizing 12:2	board 16:17 17:11	8:17 9:1,5,19 10:8
agreed 49:1	appreciate 27:2	automatic 12:23	boarded 16:22 17:8	10:21 11:1 12:14
agreement 4:10	approach 19:2	available 8:5 41:17	boarding 18:5	12:19 13:17 14:14
34:17 35:24 36:1	approached 43:12	42:8	Bobette 1:9 2:24	17:19 24:22 25:19
36:6,16 37:5 38:6	43:15,16,17,20	avoid 22:14	6:9 7:25 14:19,19	28:12 36:14 38:11
38:9,17,19 41:11	46:5	aware 11:6 16:8,20	14:25 15:18 17:7	39:24 47:6
41:12 42:15,22,24	appropriate 34:2	16:23 28:11,15	24:12 29:16 31:3	categories 6:24,25
43:1,5,9,13,15,20	approval 45:18	31:4,22	Bobette's 14:25	7:19 8:3
44:13,17 45:14,15	approved 45:17		15:19	Category 8:7 9:25
45:16,19,22,24	approximately		Borrell 26:20	cattle 16:23,24,25
46:6,17	19:11	B	bottom 27:10	17:2,2,3 22:6,8
agricultural 21:15	area 9:18	B-e-t-h 5:18	Boulevard 2:8	caveat 15:13
23:22	areas 20:6	back 7:23 13:12	break 28:9 33:19	certain 8:25
ahead 13:10 14:7	arena 20:1	19:6 25:23 28:6,8	35:2 41:21	certainly 27:18
35:5 40:5	asked 8:7 9:25 11:9	30:4 34:6 41:23	Brief 7:21 41:22	certified 47:18 48:4
alleged 10:2	13:7 14:4 21:10	41:24 44:21	bring 9:2	certify 51:5,10,12
altogether 17:5	22:17 23:21 25:9	bankruptcy 7:7,14	bringing 17:13	cetera 8:5 32:14
ambiguous 12:11	28:12,25 30:7	8:9,16,22 10:8,17	broad 9:13 17:22	34:19
13:6 14:2 44:2	31:12 35:8 37:22	10:17 11:7,18	24:2 32:8	Chadwick 43:16
Amended 3:24 10:2	40:21	12:8,19,23 16:7	broker 20:17 21:1	Chaffin 2:15,16 3:6
24:22 25:5	asking 11:23,24	19:2 33:6 34:9	21:3 22:24 31:2,4	5:12,19,24 6:1,11
amount 41:17 42:8	12:22 13:13,14,19	39:24 40:4,15	31:14 39:10 41:7	6:20,21 7:20,23
	26:22 37:12,18	42:19 43:14 45:17	brokers 18:23	7:25 8:2 9:22,25
		46:5		

11:10,15,17,20 12:13,16 13:10,12 13:19 14:6,8,9 15:8,10 17:24 18:2,12 24:9,14 24:21 25:7,17,20 25:23 26:5,17 27:4 28:9,25 29:10,24 30:2,4,9 30:19,21 31:1,18 32:11,19 33:5,18 34:4,6,15,25 35:7 36:23,24 37:13,24 38:1 40:12,21 41:21,23 42:10 43:11 44:5,7,10 44:18,20 45:4,6 45:21 46:14,20,23 47:3,7,9 48:22 change 6:6 18:6 changed 6:4 changes 47:10,20 47:23,24 48:2,4,6 48:10 Chapter 1:5 7:12 10:7,11,18 14:14 16:12 19:8 29:5 29:11 children 14:25 15:19,21 CL-UD-VTA 1:8 claim 9:17 26:10,21 clean 24:15 clear 11:22 clerk's 14:16 client 6:9 18:22 21:2 24:7 47:2 Code 10:17 19:3 46:24 collecting 12:4 Collection 32:14 come 14:15 comes 14:16 coming 6:8 commencing 1:19 communication 8:14 communications	8:8 9:11 company 40:10 Complaint 3:24 10:3 24:22,23 25:5,8 26:19 compound 28:20 30:18 32:8 concerned 23:19 concluded 48:25 concluding 1:19 conclusions 13:15 conference 28:3 45:3 confirmation 48:14 confirming 48:1 conformed 25:3,4 25:13,14 26:3 consider 23:15 consist 19:21 consists 19:23 contact 36:14 contacted 42:19,20 continue 34:1 35:19 36:8 38:18 Continued 4:1 continuing 29:6,13 contrary 40:3 control 11:3 17:15 19:3,21 38:14 copied 33:6 copies 36:5 copy 5:19,24 6:18 25:2,3,4,10,11,15 26:9 34:16 47:14 47:18 48:4 correct 10:9 30:19 31:5 35:18,21,24 39:12 43:6 48:21 50:8 51:11 corrected 48:8 corrections 47:23 47:24 48:3,4,7,10 correctly 19:14 correspondence 8:17 9:17 costs 32:2 counsel 6:2,5 9:14 12:14 13:9 20:5	25:6,8 26:18,18 28:4 32:25 33:3 34:10 43:14 45:2 46:3 47:19 49:2 51:12 count 48:15 County 1:2,17 2:18 50:3 51:2,4,19 couple 8:3,16 22:10 22:15 course 48:11 court 1:1 5:23 7:7,8 8:22 11:7,19 12:17 14:9 24:19 25:1 26:20 32:12 32:23 33:6 34:14 34:24 41:16 42:6 45:17,19 46:6,24 48:13 49:2 courthouse 25:12 creditors 10:19 11:5 17:17 39:24 CSR 1:21 51:4,18 current 17:13 40:3 43:5 46:10 currently 18:5 24:10 custodian 48:19	38:19 debtors' 35:17 December 7:8,9 decision 38:10 declaration 4:3,6 32:20 33:9,15,17 33:24 34:7 41:7,9 DECLARE 50:6 deems 47:10 defendants 1:11,16 2:13 26:12 28:11 Defendants' 3:18 5:21 24:17,24 32:21 34:12,22 defer 20:5 deferring 20:8 define 15:14 demurrer 26:19,22 denied 31:16 deponent 36:21 48:15 deposed 13:16 deposit 31:13,20 deposition 1:15 3:19 5:19 6:4,12 6:13,19,24 48:24 49:5 51:7,9,11 describe 10:24 19:19 described 10:24 desire 37:4 destroyed 47:17 details 22:8 detainer 3:25 10:14 11:8 12:1 14:17 17:14 19:20 24:23 28:22 33:22 36:2 40:16 44:6 determine 40:6 46:10 different 17:10 22:5 direction 18:25 directly 8:13,19 47:1,2,3 discharge 14:14 discovery 22:13 23:21 25:22	discuss 20:5 26:18 29:5,21 discussed 31:2 discussion 7:22 13:11 28:2,5,10 29:12 30:3,5 33:2 34:5 42:2 45:1 discussions 22:24 38:8 docket 13:22 33:10 33:12 document 25:6 33:16,16 34:3 43:7 44:15 47:25 documents 6:21,22 6:24 7:2,4,11 8:7 9:7 10:1,4,5 19:5 24:16 dogs 22:8,9 doing 11:14 DOROTHEA 1:21 51:4,18 draft 38:19,21 drafted 38:22,24 45:24 drink 41:19 Drive 1:17 2:18 due 48:11 duly 5:6 51:7 duties 11:3 46:24 49:3 duty 38:14
				E e 3:1,2 4:1 51:25 e-mail 9:19 34:20 48:17 e-mails 8:12,19 9:9 earlier 12:13 19:5 19:13 31:1 32:11 34:8 35:7 37:22 40:21 41:6 early 8:17 9:18 Easement 4:10 35:24 38:6 easily 25:14 effect 12:17,24 46:17

effective 43:5	explain 44:7	forgotten 37:24	15:25	increase 17:20
Encino 2:10	explanation 26:7	Form 26:1	great-grandkids	18:18
enter 44:16	extent 13:6 14:3	formed 17:18	22:1	increased 18:4
entered 14:14	16:13 18:4 22:20	former 42:23	grown 22:11	increasing 46:17
45:16	24:1,8 26:8	forth 51:9	guess 20:16,18	indicate 26:11
entering 44:12		forward 40:24	GWEN 1:8	indicated 39:22
45:14,19	F	foundation 17:23	H	indicating 18:3
entire 23:13 28:16	facility 18:6	18:9 32:9	hand 16:9	40:13
38:3	fact 40:2	four 20:20 34:25	hands 16:3,14	indication 6:7
entities 43:4	facts 29:8 30:16	Fritz 4:7 21:8,9	happy 33:18 44:5,7	individuals 32:5
entity 42:20	36:19 40:19 44:15	front 27:7 35:11	HARTLEY 1:21	information 3:12
equine 24:7	fair 10:1 22:21 46:6	full 51:11	51:4,18	18:21 22:23 24:11
estate 10:17 11:2	46:10	further 3:8 46:20	hearing 26:19	40:9,9 41:17 42:7
12:7,7 14:4 17:17	fall 31:21	49:5 51:12	45:20	42:12 43:21 45:18
18:3,14 19:17	family 29:18	G	held 7:22 13:11	initial 5:17
22:24 40:13	far 22:7 23:10,19	gain 19:3	20:21 28:2,5 30:3	initially 42:17
estimate 23:8	24:9	general 12:6 20:5	33:2 34:5 42:2	initiated 42:25
et 8:5 32:14 34:19	Farge 38:20	23:24 42:23	45:1	inquiry 44:11
everybody 37:23	Fargo 36:15 37:6	generally 9:10	hereinbefore 51:7	45:12
evict 14:21,24	43:6	getting 40:9	hereunto 51:14	INSERTED 3:12
15:11 16:2,15	fax 48:17	give 15:9 27:15	hills 19:24	3:16
17:19 26:23 37:18	faxes 8:11	32:18	hold 11:20 32:25	insurance 9:17
37:22 38:2,10,14	figure 14:20	given 6:11 33:15	hoping 23:10	12:6 18:24 20:17
39:25	file 7:14 10:21 11:8	36:4 39:19	horse 19:25 20:1	21:1 31:2,2,4,6,6
evicting 17:19	26:4 33:6	gives 10:20	horses 16:22 17:4,7	31:10,13,14,17,24
18:17 37:2 39:6	filed 7:7,8 8:9,24	giving 23:2	17:8 22:6,7	intent 38:14
40:16	8:25 12:16,19,23	go 7:20,23 13:8,10	houses 20:14 21:10	intention 38:1
eviction 18:7	16:12 19:1 25:5	13:12 14:7 15:10	23:3	interested 51:13
evidence 29:9	28:22 36:9 39:3	23:23 27:22 28:6	huge 13:22	Interim 7:6
30:16 36:19 40:2	41:16 42:6	28:8 29:25 30:2,4	hypothetical 17:22	Interrogatories
44:15	filing 12:1 16:7	33:19 34:4,6 35:5	18:9	26:1
exactly 23:11	34:1,9	40:5 41:23 44:23	I	interruption 7:21
EXAMINATION	fill 44:24	44:24,24 47:2,5	idea 26:16	interrupts 11:21
3:5,8 5:10	find 8:5 10:5 26:22	goes 12:24	identification 3:18	investigator 31:15
examined 5:7 51:6	fine 35:4 47:8	going 9:5 15:10	5:22 24:18,25	involved 9:6 18:22
example 12:13	fingertips 9:7,9	18:21 20:8,11	32:22 34:13,23	31:3
Excuse 41:19	first 3:17,24 5:6	24:14 25:19,21	identify 20:24	irrelevant 26:8
Exhibit 5:20,21	10:2 24:22 25:5	41:19 47:5,21,22	29:20	irrespective 38:3
6:20 24:15,17,21	37:13	47:23	improper 18:9	issue 10:13 11:1
24:24 25:24 27:5	five 20:20 27:5	good 5:13,14 35:5	include 11:3 15:24	19:20 20:4 23:9
32:19,21 34:7,12	34:25 47:4	gotten 8:13 31:3	21:25	23:19 26:24 38:15
34:15,21,22 36:4	focus 33:21	40:8	includes 12:4,5	42:16
38:5 41:6 42:15	follow 22:14 48:1	grandkids 22:1	15:17,18	issued 11:7 36:13
43:5 44:13 45:14	follows 5:7 42:4	granted 18:23	inclusive 1:10	36:16,21
46:16	45:10	grazing 20:6	incomplete 12:11	issues 20:9 40:15
exhibits 3:16 8:25	foreclosed 42:20	Great 48:23	14:3 17:22	its' 32:13
33:25 35:16	foregoing 50:8	great-grandchild...		J
exist 13:24	51:10			

job 10:18 joined 8:1 judge 11:25 26:20 June 51:15 <hr/> K K 1:5,15 3:3 4:4 5:5 5:17 50:20 keep 24:15 KEVIN 2:15,16 kids 21:25 kinda 44:24 Kling 4:7 21:6,8,9 22:25 23:2 34:8 39:12,19,22 41:7 41:9 Kling's 39:14,15 know 6:22 8:11 12:24 13:15,21 14:13,18 15:21 16:5,14 17:4,7,10 18:1,19 20:8,14 21:12,15,18,21,24 21:25 22:1,3,5,7,7 22:10,11 23:2,5,7 23:20 25:7 26:25 28:14 30:20,23,25 31:25 32:3,10 36:17,25 37:10,17 38:13,22,24 39:1 39:8 40:20,23 41:2,4,15 42:5 43:13 44:3 45:25 46:4,6,14,16,19 48:17 knowledge 16:6,10 17:1 24:4 37:14 <hr/> L L 2:6 lacks 17:23 18:8 32:8 land 37:4 language 32:13 larger 11:2 33:16 40:14 Law 2:7,15,17 leave 6:6 28:12	legal 13:14,15 Leslie 1:8,9 6:3,5,9 7:12,25 9:19 10:9 12:9 14:18,19,19 15:18,18 17:7 24:12,12 29:12,13 29:16 31:3 Leslies 12:23 31:23 37:3,19 38:10,14 39:25 40:16 Leslies' 15:24 Let's 7:20 28:1 30:2,4 34:4 41:21 44:23 letters 8:12 9:8 liability 31:6,10 lift 14:10,11 lifted 12:8,25 13:21 14:10 light 38:16 liquidating 11:4 list 15:9,10 17:16 live 15:21 16:3,18 21:22,24 24:5 29:6,13 lived 8:12 lives 24:10 livestock 17:11 20:6 22:5 living 24:11 located 38:3 lodge 48:20 lodged 48:13 long 39:2 look 6:18 18:24 25:14 32:25 looked 8:4 looking 18:23 lost 47:17 48:3 lot 33:25 <hr/> M M-c 5:18 mail 6:6 25:25 47:22 mailed 47:3 maintain 32:6 maintenance 32:2	making 38:9 March 25:5,25 MARIA 50:3 Marilyn 1:8 10:8 12:9 14:19 29:13 mark 32:19 marked 5:22 24:18 24:25 32:22 34:13 34:23 market 10:1 17:16 17:16 19:4 39:7 46:6,10 marking 25:24 maximize 18:13 McBeth 1:5,15 3:3 4:4 5:5,13,17 6:2 6:11 8:2 25:3 27:4 28:9 47:4,22 50:20 mean 11:1,11 13:23 members 29:18 message 6:7 MICHAEL 2:6 middle 5:17 mind 13:9 18:6 minute 7:20 13:3 20:22 27:23 34:6 36:18 Misstates 29:22 36:19 44:14,15 moment 39:11 money 40:15 month 23:13 months 31:19 morning 5:13,14 motion 33:7,10 34:1,18 35:17,19 35:23 36:8 38:18 39:2 45:18 motions 8:25 move 24:21 moved 14:11 moves 14:10 moving 18:25 multiple 30:17 <hr/> N N3 1,2 4:1	nail 28:11 name 5:15 51:15 named 14:18,22 names 16:8 narrow 29:10 necessary 41:13 47:11 48:20 need 7:16 30:1 neither 51:12 never 6:13 19:14 Nine 38:9 43:10 note 6:1 26:9,17 notes 33:20 51:11 notice 1:23 3:19,21 5:20 6:19,24 7:6 24:16 27:6,9,15 28:13,17 35:8 36:13,16,20 notified 6:8 47:19 notify 6:5 48:6 notorization 36:6 November 32:20 36:10 39:2 number 5:21 7:5,8 9:8 10:6 17:2 22:2,23 23:8 24:17,24 32:21 33:10 34:12,22 <hr/> O object 14:2 36:18 objection 9:12 11:9 12:10 13:5 17:21 18:8 24:1 28:19 29:8,22 30:15,24 31:12 32:7 36:18 37:21 40:1,18 43:7 44:1,8,14 objections 9:14 obligation 10:24 obligations 18:13 obtain 17:15 obtained 22:23 obviously 26:24 occupants 15:4,7 15:14 occupying 15:15 off-the-record	28:10 30:5 offhand 9:24 21:20 office 14:16 47:12 offices 2:15 47:25 Okay 6:1,15,18 7:10,13,16,17 8:6 8:21 9:2,4,22,25 10:7,7,11,23 12:8 12:22 14:6,13,17 14:24 15:3,8,13 15:17,24 16:2,11 16:13,17,20 17:4 17:10,13 18:2,16 19:19 20:13,19 21:10 22:18,19,20 23:2,8,21 24:9,14 24:14,20 25:17,20 25:23 26:5,17 27:4,9,14 28:15 28:25 29:4,16,20 29:24 30:12,21 31:8,22 32:1 33:13 35:7,16,23 36:4,8,12 37:13 37:18,24 38:5,17 39:5,19 40:12,21 41:6,15,23 42:10 42:13,25 43:19 44:19,25 45:21 46:1,5,14 operate 12:3 33:8 34:2 35:17 operated 18:5 operates 24:7 operating 23:15 32:12 35:19 36:9 38:18 operation 12:6 opinion 17:18 18:3 23:3 39:22 40:13 41:12 order 11:6,11,18,25 12:2 17:15 23:15 32:12,18 39:7 orders 40:4 ordinarily 47:16 original 11:11 47:12,16,22,24
---	--	--	--	---

48:1,3,11,19 outbuildings 20:1 outcome 51:13 outline 20:12 outside 28:1,3 45:2 overly 9:12 17:21 24:2 32:8 owner 43:12 owns 17:7	48:16 persons 14:22 pictures 20:3,3,23 20:23,24 21:3,5 40:10 piece 9:16 pieces 8:17 place 15:16 31:4,14 31:16 47:18 51:9 plaintiff 1:6 2:3 13:16 14:5 plaintiff's 6:5 26:1 pleadings 8:25 28:21 please 5:15 6:19 19:6,19 32:18 44:21 point 6:10 18:19 27:1 37:3 39:10 pool 9:18 portions 36:5 possession 11:4 17:15 26:10,21 possible 40:3 possibly 20:1,6 42:21 prejudgment 26:10 26:21 preliminary 39:20 premises 22:21 prepared 47:3 present 2:22 8:1 10:21 38:1 presented 45:20 47:15 preserve 41:13 presume 15:20 37:11 primarily 21:1 principal 15:15 prior 27:14 30:6 31:8 39:14,14,15 42:22 43:12,12,13 51:6 pro 6:3 probably 6:10 25:12 proceed 18:7	proceedings 7:21 27:1 40:17 48:24 process 40:11 produced 11:24 19:5 24:16 producing 7:3 professional 18:3 40:13 Proof 25:24 26:2,6 properties 19:17 property 8:9,12 9:18 10:13,16,16 10:25,25 11:4,4 12:4,5,7,18 14:21 15:1,2,3,15 16:3 16:14,18,21 17:1 17:5,11,16,16,20 18:4,18,20,22,24 18:25 19:3,14,20 19:23,25 20:15 21:13,16,18,22,24 22:3,6,11 23:6,16 23:18,23,25 24:2 24:5,6,10 28:12 29:1,2,7,14,21 30:13,14,22 31:6 31:10,14,15,24 32:2,6 36:2 37:15 37:19 38:4,15 39:7,8,12,16,18 39:20,23 40:7,11 40:14,23 41:2,13 41:18 42:9,16,21 43:22 44:12 45:13 46:10,15,18 propose 46:23 provide 38:20 provided 18:2,21 25:3 33:17 36:5 39:1 40:12 42:14 43:21 45:18 public 8:10,22 45:19 purpose 24:3 26:14 purposes 39:8 47:15,18 pursuant 1:23 pursue 37:4	put 46:7 Q question 7:5 9:12 11:22 12:10,12 13:18,20 14:3 17:21 18:8,16,17 24:1 26:15 27:4 28:19 29:10 30:6 30:7,17 32:7 36:12,25 37:7,10 37:21 38:5,7 40:1 44:1,10,16,20,21 45:4,6,11 46:11 question's 13:6 questions 8:3 13:13 13:14 22:15,16 23:21 25:22 32:17 35:1,3,6 46:20,21 quite 8:15 quote 12:2 R ranch 10:16 16:3,3 16:9,13 18:5 27:16 31:11 46:7 ranting 25:16 read 33:4 41:24 42:3 44:21 45:9 Ready 45:5 real 12:7 18:3 22:24 40:13 really 13:15,19 26:8 33:20 Realty 36:15 38:9 43:6,10 Realty/Wells 37:6 reason 37:2 48:12 reasonable 48:21 recall 9:7,8,10,16 21:20 35:9 38:7 38:12,13 39:4 42:11,15 43:3,17 43:18,19,21,23,24 43:25 44:11 45:11 45:21,23 receive 47:23 received 8:14 9:19	20:17 receives 47:9 recess 41:22 recollection 20:20 42:25 record 5:16 6:2 7:22,25 8:10,23 11:22 13:8,11,14 24:15 25:2 26:9 26:18 27:22 28:2 28:5 29:25 30:2,3 33:2,6 34:5,16 42:2,3 44:23 45:1 45:9,19 recorded 34:17 36:5 refer 10:15 reference 11:13 33:25 REFERENCED 3:18 referencing 41:10 referred 32:12 34:8 referring 36:20 reflect 25:2 regard 9:20 14:4 18:21 regarding 8:8 10:12 rehash 22:15 related 20:9 51:13 relates 12:1 32:13 33:17,22 36:1 relating 9:17 31:10 relevant 44:3 relieve 46:23 relieved 49:3 remember 9:23 32:15 40:25 41:24 rent 23:16,19 29:1 30:8 rental 22:21 rented 12:5 rents 12:4 23:16,18 32:14 repairs 9:18 12:6 rephrase 36:25 reporter 5:23 24:19
--	--	---	---	---

24:20 25:1 32:23 34:14,24 42:1,4 45:5,8,10 46:24 47:1 48:16 49:2 reports 20:17 21:19 represent 25:6,7 33:5,14 34:16 representation 9:21 represents 6:3 request 6:4 48:13 48:21 requested 6:21 34:20 requests 6:23 required 14:12 19:2 48:11 resided 29:20 residence 15:16 residences 19:25 residency 29:21 residential 24:6 37:14 residents 8:8 12:18 15:3,14 26:11 27:16 29:1,6 39:6 resides 37:20 residing 15:1 responded 21:11 responding 13:17 response 7:3,4 20:7 24:16 30:6 responsibility 48:9 responsive 6:23 7:5 10:5 return 47:12 returned 47:25 review 6:25 20:16 33:18 35:2,4 47:10 reviewed 20:23 21:4,19 48:8 right 13:19 16:8 26:10,21 35:11 43:4 rights 4:9 35:24 37:4,5 38:6 44:13 45:15 46:17	road 20:4,23 37:15 Robert 1:8 10:8 12:9 14:18 29:12 Robert/Marilyn 7:12 rolling 19:24 room 28:3 45:3 ROSENTHAL 2:5 rough 23:8 RPR 1:21 running 30:14 S S 3:2,2 sale 39:9 46:8 Sandra 1:5,15 3:3 4:4 5:5,17 50:20 SANTA 50:3 satisfy 39:24 40:15 saying 12:17 23:12 second 11:21 13:8 25:11 30:1 32:18 32:25 34:4 35:3 Section 10:17 see 13:23 27:9,12 32:24 34:2,10 35:14 41:9,11,14 seek 17:19 seeking 14:21,24 15:11 16:2,15 19:21 22:20 28:16 28:23,24 seen 16:25 17:1 20:2,2,3 22:17 23:18 sell 17:16 38:4 39:7 46:16 send 27:15,19,21 sent 8:11,16 22:13 25:9 28:13,17 31:20 34:19 47:1 48:15 separate 21:21 September 27:11 27:14 28:13 35:13 serve 27:15 served 6:2 25:8,25 26:12,14	Service 25:24 26:3 26:6 set 51:9 sets 21:4 she'll 6:10 47:7 shorthand 51:10,11 showing 25:4 26:6 side 37:15 sign 47:12 signature 48:2 signed 11:25 27:10 32:12 34:18 36:21 37:5 47:13 48:2 49:6 50:10 significantly 38:15 signing 48:10 Similarly 12:22 simple 13:20 simply 15:11 single 38:2 sit 46:14 site 4:9 34:17 35:24 36:15 37:5 38:6 38:17 41:10 42:15 six 6:24 40:14 skip 23:23 Smith-Set 26:1 sold 39:23 40:14 somewhat 30:5 sorry 11:20 13:4 20:15 37:25 39:15 44:22 45:22 sort 20:2 24:7 sought 23:11,12 sounds 8:21 source 20:25 21:1 sources 41:4 speak 40:8 speaks 43:7 specific 9:8,16 11:6 11:25 23:11 24:10 41:16 42:7,11 specifically 8:9 10:13 11:7 14:21 20:14 38:12,13 39:4 speculation 17:22 18:10 30:15 32:8	40:2,4,18 43:8 spell 5:15 Square 1:17 2:18 ss 50:2 51:1 stamped 7:13 33:7 start 27:18 state 1:1,22 5:15 43:11 50:1 51:1,4 51:19 stated 21:19 26:23 states 25:25 26:12 41:10,11 statute 11:13 statutory 49:3 stay 12:8,17,20,23 12:24 13:21 14:2 14:10,11,11 20:11 step 28:1 stipulated 48:22 stipulation 46:23 stop 40:16 strike 45:22 48:5 structures 19:25 20:3,23 21:4,21 23:4 37:14 stuff 9:2 13:22 33:20 sub-tenants 17:10 subject 30:13 36:2 38:10 47:11 subscribed 51:15 substance 9:10 suggests 34:1 Suite 1:17 2:9,19 SUPERIOR 1:1 supported 10:1 supporting 33:9 supposed 23:17 sure 11:22 13:10 22:15 33:23 34:11 42:1 43:4 48:12 sworn 5:6 51:7 T T 3:2 take 33:19 35:2 38:14 41:21 taken 1:16 6:14,15	21:3 51:9,10,11 talk 27:24 talked 36:14 taxes 12:5 tell 16:8 25:14 26:2 Ten 47:4 tenancy 27:6,15 35:8 36:13 tenants 14:23 15:1 15:14 16:17 term 14:2 15:6,7 terminate 27:6,15 35:8 36:13 terms 20:24 29:6,9 29:13,21 39:1,5 testified 5:7 11:12 20:22 31:1 46:9 testify 51:7 testifying 43:13 testimony 15:13 19:13 29:22 32:11 32:15 35:7 39:5 40:25 44:14 Thank 7:18 33:4 48:18 Thanks 19:8 thereof 51:13 things 8:22 19:2 think 19:6 23:9 25:13 34:2 35:1 36:24 37:10 thought 26:5 three 14:22 26:12 26:24 time 8:15 19:1 23:23 25:11 28:16 28:17 29:4 35:2 40:20 41:15 42:6 46:5 48:20,21 51:9 timing 33:25 38:12 title 40:10 42:21 today 7:3 9:2 20:18 told 23:19 43:24 tomorrow 47:6 top 33:7 total 21:21,25 22:2 transcribed 51:10
--	--	---	---	--

transcript 46:25- 47:10,12,13,14,16 transcription 51:11 trial 47:5 48:20 trouble 13:17 true 50:8 51:11 trustee 1:5 3:22 7:6 7:7,12 10:7,11,18 10:25 18:13 19:8 29:5,11 30:12,22 31:9 32:1,4 40:24 truth 51:7,7,8 try 18:13 20:8 24:14 trying 14:20 22:13 23:10 26:23 28:10 33:21 37:2,10 40:6 46:9,15 turned 23:17 two 9:8,23 47:7,8 two-and-a-half 9:6 19:11 type 16:20 types 22:5 typewriting 51:10	8:15 unsigned 47:14 use 14:2 48:7 useable 47:15,16 utility 30:13,17 V value 10:1 17:20 18:4,18 22:21 23:3,9 39:8 40:6,7 41:13 46:7,10,17 valued 39:16 values 39:20 various 12:18 40:7 Ventura 1:2,18 2:8 2:20 5:2 51:2,4,19 verify 8:4 versus 17:8 28:17 viewing 40:11 views 20:2 visit 39:14,15 voice 6:6 vs 1:7 W W 1:21 3:2 51:4,18 wages 32:5 wait 13:3 14:1,1,1 36:18 44:1 waive 6:15 waived 47:11 walk 6:10 want 5:20 11:22 14:1 15:14 18:7 20:16,18,21 27:24 32:17,19,25 34:10 35:1,4 37:11 43:3 43:13 47:19 wanted 6:22 8:2,11 12:24 22:14 wanting 37:18 wants 37:22 47:1 wasn't 25:9 26:14 water 4:9 20:4 30:22 35:24 36:15 37:5 38:6 40:22 41:2,4,11,12,17 41:20 42:8,22,23	43:22 44:12,13 45:13,15 way 6:7 we'll 6:1 34:16 we're 18:25 25:21 40:6 46:9 47:5,21 we've 18:20,20 36:14 Wednesday 1:20 5:1 weeks 9:20 47:7,8 wells 20:4 36:15 37:16 38:20 42:16 43:6 went 25:11 31:15 Wheeler 10:15,16 27:16 29:14 31:11 36:1 37:15 41:13 43:16 46:7 WHEREOF 51:14 wife 16:12 withdraw 37:1 WITHEM 2:5,6 7:24 9:12 11:9,11 12:10,15 13:3,5 14:1,7 15:4,6,9 17:21,25 18:8 24:1 25:2,16,18 25:21 26:4,15 27:2,24 28:1,6,19 29:8,22 30:15,24 31:12 32:7,24 33:4,14 34:11 36:18 37:7,21 40:1,18 41:19 43:7 44:1,8,14,19 44:22,25 46:11,22 47:2,5,21 48:23 witness 6:13 9:16 9:23 11:16,18 12:12 13:4,13,25 14:5 15:5,7 18:1 18:11 24:4 27:22 27:25 28:4,7,21 29:23,25 30:20,25 31:13 32:10 33:3 33:17,23 35:5 37:9 40:6,20 43:9	44:3,6,23 45:2,16 46:13 47:8 48:7 49:6 51:6,14 work 16:14 26:25 worked 32:5 workers 16:3 working 21:2 39:10 40:8,9 written 22:13 47:25 X X 3:1 4:1 Y Yeah 19:7 28:7 year 31:20 years 9:6 19:11 31:23 Yu 34:19 36:5 43:14 Z Zeff 2:5 12:15,16 25:9 27:10 0 1 1 1:10 3:19 5:20,21 6:20 8:7 14:20 26:13 1,700 23:13 24:2 1,700-plus 19:24 1,800 23:14 38:3 10 1:10 14:20 26:13 10:06 1:19 5:1 11:10 1:20 48:25 14 47:13 48:9,16 16027 2:8 2 2 3:21 9:25 10:6 24:15,17 41:10 20 25:25 2009 7:9 19:9 31:23 201 2:9 2010 31:23 2011 27:11,14 28:13 31:23 32:20	35:13 36:10 39:2 2012 1:20 5:1 25:5 50:12 51:15 2025.520 49:4 2025.550 49:4 22 25:5 32:20 36:10 22nd 39:2 24 3:22,22,25,25 255 33:11,12 28th 27:11,14 28:13 35:13 3 3 3:24 24:21,24 25:24 27:5 30 1:20 5:1 300 10:2 22:20 23:13 28:16 310 1:17 2:19 32 4:4,4 34 4:7,7,10,10 3rd 7:8 4 4 4:3 7:5 32:19,21 35:16 5 5 3:6,19,19 4:6 34:7 34:12 35:16 41:6 541 10:17 5505 1:21 51:4,18 56-2012-00410681- 1:7 6 6 4:9 34:15,21,22 36:4 38:5 42:15 43:5 44:13 45:14 46:16 60-day 27:5,9 28:13 35:8 36:12 36:16,20 674 1:17 2:18 6th 51:15 7 7 1:5 7:12 10:7,11 10:18 14:14 16:12
---	--	---	--	---

19:8 29:5,11
7th 7:9

8

81,000 23:9

9

9,000 23:13

9:08-BK-11949 7:8

91436 2:10

93003 1:18 2:20

854 East Main Street, Ventura California 93001
(805) 643-4007 Fax: (805) 643-4080